

**VILLAGE OF CHATAIGNIER, LOUISIANA**

Financial Report

Year Ended June 30, 2013

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Aldermen  
Village of Chataignier, Louisiana

We have reviewed the accompanying financial statements of the governmental activities, the business-type activities and the major fund of the Village of Chataignier (Village), a component unit of the Evangeline Parish Police Jury, as of and for the year ended June 30, 2013, which collectively comprise the Village's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Village. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

The management of the Village of Chataignier is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information was not audited, reviewed, or compiled by us, and we do not express an opinion or provide any assurance on it.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
September 26, 2013

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

VILLAGE OF CHATAIGNIER, LOUISIANA

Statement of Net Position  
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and interest-bearing deposits	\$ 75,637	\$ 6,171	\$ 81,808
Receivables	5,452	3,600	9,052
Due from other governmental units	-	37,043	37,043
Capital assets, net	<u>268,972</u>	<u>782,215</u>	<u>1,051,187</u>
Total assets	<u>350,061</u>	<u>829,029</u>	<u>1,179,090</u>
<b>LIABILITIES</b>			
Contracts payable	-	5,300	5,300
Retainage payable	-	31,743	31,743
Noncurrent liabilities:			
Customers deposits payable	<u>-</u>	<u>3,332</u>	<u>3,332</u>
Total liabilities	<u>-</u>	<u>40,375</u>	<u>40,375</u>
<b>NET POSITION</b>			
Net investment in capital assets	268,972	782,215	1,051,187
Unrestricted	<u>81,089</u>	<u>6,439</u>	<u>87,528</u>
Total net position	<u>\$350,061</u>	<u>\$788,654</u>	<u>\$1,138,715</u>

See accompanying notes and independent accountants' review report.

# VILLAGE OF CHATAIGNIER, LOUISIANA

## Statement of Activities For the Year Ended June 30, 2013

Activities	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
	Expenses	Fees, Fines, and Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Governmental activities:</b>						
General government	\$ 33,722	\$ 11,507	\$ -	\$ (22,215)	\$ -	\$ (22,215)
Public safety	15,642	3,379	-	(12,263)	-	(12,263)
Public works	23,336	-	-	(23,336)	-	(23,336)
Culture and recreation	24,745	-	-	(24,745)	-	(24,745)
Total governmental activities	97,445	14,886	-	(82,559)	-	(82,559)
<b>Business-type activities:</b>						
Sewer	56,845	25,224	370,964	-	339,343	339,343
Total	\$ 154,290	\$ 40,110	\$ 370,964	(82,559)	339,343	256,784
<b>General revenues:</b>						
Taxes -						
Property and sales taxes, levied for general purposes				24,482	-	24,482
Franchise and chain store taxes				17,601	-	17,601
Grants and contributions not restricted to specific programs -						
State sources				2,399	-	2,399
Interest and investment earnings				386	-	386
Miscellaneous				9,925	-	9,925
Transfers				(2,850)	2,850	-
Total general revenues				51,943	2,850	54,793
Change in net position				(30,616)	342,193	311,577
Net position - July 1, 2012				380,677	446,461	827,138
Net position - June 30, 2013				\$ 350,061	\$ 788,654	\$ 1,138,715

See accompanying notes and independent accountants' review report.



## **FUND FINANCIAL STATEMENTS (FFS)**

## **MAJOR FUND DESCRIPTIONS**

### **General Fund**

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund.

### **Enterprise Fund**

#### **Sewer Fund -**

To account for the provision of sewerage services to residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

VILLAGE OF CHATAIGNIER, LOUISIANA

Balance Sheet  
Governmental Fund - General Fund  
June 30, 2013

ASSETS

Cash and interest-bearing deposits	\$ 75,637
Revenue receivable	<u>5,452</u>
Total assets	<u>\$ 81,089</u>

FUND BALANCE

Fund balance:	
Unassigned	<u>\$ 81,089</u>

See accompanying notes and independent accountants' review report.

VILLAGE OF CHATAIGNIER, LOUISIANA

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Position  
June 30, 2013

Total fund balances for governmental funds at June 30, 2013		\$ 81,089
Cost of capital assets at June 30, 2013	766,060	
Less accumulated depreciation	<u>(497,088)</u>	<u>268,972</u>
Total net position of governmental activities at June 30, 2013		<u>\$ 350,061</u>

See accompanying notes and independent accountants' review report.

# VILLAGE OF CHATAIGNIER, LOUISIANA

## Statement of Revenues, Expenditures, and Changes in Fund Balance- Governmental Fund - General Fund For the Year Ended June 30, 2013

Revenues:	
Taxes	\$ 24,482
Licenses and permits	11,507
Franchise tax	17,601
Intergovernmental	2,399
Fines and forfeits	3,379
Rental income	3,025
Interest	386
Miscellaneous	<u>6,900</u>
Total revenues	<u>69,679</u>
Expenditures:	
Current -	
General government	32,822
Recreation	23,145
Public safety	12,341
Public works	<u>7,754</u>
Total expenditures	<u>76,062</u>
Deficiency of revenues over expenditures	(6,383)
Other financing uses:	
Transfers out	<u>(2,850)</u>
Net change in fund balance	(9,233)
Fund balance, beginning	<u>90,322</u>
Fund balance, ending	<u>\$ 81,089</u>

See accompanying notes and independent accountants' review report.

VILLAGE OF CHATAIGNIER, LOUISIANA

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Fund  
to the Statement of Activities  
For the Year Ended June 30, 2013

Total net changes in fund balance at June 30, 2013 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ (9,233)
Depreciation expense	<u>(21,383)</u>
Total change in net position at June 30, 2013 per Statement of Activities	<u>\$ (30,616)</u>

See accompanying notes and independent accountants' review report.

VILLAGE OF CHATAIGNIER, LOUISIANA

Statement of Net Position  
Proprietary Fund - Enterprise Fund  
June 30, 2013

ASSETS

Current assets:	
Cash	\$ 6,171
Accounts receivable	3,600
Due from other governmental units	<u>37,043</u>
Total current assets	46,814
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>782,215</u>
Total assets	<u>829,029</u>

LIABILITIES

Current liabilities:	
Contracts payable	5,300
Retainage payable	<u>31,743</u>
Total current liabilities	37,043
Noncurrent liabilities:	
Customers' deposits	<u>3,332</u>
Total liabilities	<u>40,375</u>

NET POSITION

Net investment in capital assets	782,215
Unrestricted	<u>6,439</u>
Total net assets	<u>\$ 788,654</u>

See accompanying notes and independent accountants' review report.

VILLAGE OF CHATAIGNIER, LOUISIANA

Statement of Revenues, Expenses, and Changes in Net Position  
Proprietary Fund - Enterprise Fund  
For the Year Ended June 30, 2013

Operating revenues:	
Charges for services	\$ 24,074
Penalty income	<u>1,150</u>
Total operating revenues	<u>25,224</u>
Operating expenses:	
Depreciation expense	28,981
Insurance	373
Office expense	977
Repairs and maintenance	6,518
Salaries and related benefits	10,085
Fees and testing expenses	2,074
Utilities	<u>7,837</u>
Total operating expenses	<u>56,845</u>
Loss before transfers and capital contributions	(31,621)
Capital contributions	<u>370,964</u>
Income before transfers	339,343
Transfers in	<u>2,850</u>
Change in net position	342,193
Net position, beginning	<u>446,461</u>
Net position, ending	<u>\$ 788,654</u>

See accompanying notes and independent accountants' review report.



VILLAGE OF CHATAIGNIER, LOUISIANA

Statement of Cash Flows  
Proprietary Fund Type-Enterprise Fund  
Year Ended June 30, 2013

Cash flows from operating activities:	
Operating loss	\$ (31,621)
Adjustments to reconcile operating loss	
to net cash used by operating activities -	
Depreciation	28,981
Increase in accounts receivable	(764)
Decrease in accounts payable	<u>(58,459)</u>
Net cash used by operating activities	<u>(61,863)</u>
Cash flows from noncapital financing activities:	
Transfers from other funds	<u>2,850</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(333,921)
Proceeds from capital contribution	333,921
Net change in meter deposits	<u>1,893</u>
Net cash provided by capital and related financing activities	<u>1,893</u>
Net decrease in cash and cash equivalents	(57,120)
Cash and cash equivalents, beginning	<u>63,291</u>
Cash and cash equivalents, ending	<u>\$ 6,171</u>

See accompanying notes and independent accountants' review report.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements

#### (1) Summary of Significant Accounting Policies

The accompanying financial statements of the Village of Chataignier (Village) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

##### A. Financial Reporting Entity

The Village of Chataignier was incorporated in 1972, under the provisions of the Lawrason Act. The Village operates under a Mayor-Board of Alderman form of government and provides the following services: public safety, highway and streets, sanitation, culture and recreation, and general administrative services.

This report includes all funds and activities that are controlled by the Village as an independent political subdivision of the State of Louisiana. There are no component units required to be reported in conformity with generally accepted accounting principles.

##### B. Basis of Presentation

###### Government-Wide Financial Statements (GWFS)

The statement of net position and statement of activities display information about the Village, the primary government, as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activities of the Village and for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Fund Financial Statements

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The various funds of the Village are classified into two categories: governmental and proprietary. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined

The major funds of the Village are described below:

#### Governmental Fund -

The General Fund is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

#### Proprietary Fund -

#### Enterprise Fund

Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The Village of Chataignier's enterprise fund is the Sewer Fund.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" revenues, expenditures, expenses, and transfers – and assets, deferred outflows of resources, liabilities, and deferred inflows of resources – are recognized in the accounts and reported in the financial statements.

##### Measurement Focus

On the government-wide statement of net position and the statement of activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

##### Basis of Accounting

In the government-wide statement of net position and statement of activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The proprietary fund utilizes the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

#### Program revenues

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the Village's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Village's general revenues.

#### Allocation of indirect expenses

The Village reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses of other functions are not allocated to those functions, but are reported separately in the Statement of Activities. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

#### D. Assets, Liabilities and Equity

##### Cash and interest-bearing deposits

For purposes of the Statement of net position, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Village. For the purpose of the proprietary fund statement of cash flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of three months or less when purchased.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include sales and use taxes and franchise taxes. Business-type activities report customer's utility service receivables as their major receivable. Uncollectible utility service receivables are recognized as bad debts at the time written off.

#### Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide or financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Village maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Buildings	30 years
Equipment	5 years
Utility system and improvements	20-40 years
Infrastructure	20 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

#### Equity Classifications

In the government-wide statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

- b. Restricted net position – consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- a. Unrestricted net position – consist of all other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balances of the governmental funds are classified as follows.

- a. Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.
- c. Committed – amounts that can be used only for specific purposes determined by a formal decision of the Village’s Mayor and Board of Aldermen, which is the highest level of decision-making authority for the Village.
- d. Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Village’s adopted policy, only the Council may assign amounts for specified purposes.
- e. Unassigned – all other spendable amounts.

When an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available, the Village considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Village considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Village has provided otherwise in his commitment or assignment actions.

Enterprise (Utility) Fund equity at the fund level is classified the same as in the government-wide statements.



## VILLAGE OF CHATAIGNIER, LOUISIANA

### Notes to Basic Financial Statements (Continued)

#### E. Revenues, Expenditures, and Expenses

##### Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities.

##### Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds - By Character:

Proprietary Fund - By Operating and Nonoperating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

##### Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

#### F. Budgets

A budget for the General Fund for the year ended June 30, 2013 was adopted in accordance with LSA-R.S. 39:1301, cited as the "Louisiana Local Government Budget Act." Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Village.

#### G. Compensated Absences

The Village has no policy relating to compensated absences. Any liability the Village might have in this regard at June 30, 2013 is considered immaterial; therefore, no liability has been recorded in the accounts.

#### H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.



# VILLAGE OF CHATAIGNIER, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (2) Cash and Interest-Bearing Deposits

Under state law, the Village may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Village may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2013, the Village has cash and interest-bearing deposits (book balances) totaling \$81,808 as follows:

Demand deposits	\$21,779
Interest-bearing deposits	<u>60,029</u>
Total	<u>\$81,808</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Village's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of June 30, 2013, bank balances in the amount of \$111,718 were secured in total by federal deposit insurance.

### (3) Receivables

Receivables at June 30, 2013 of \$9,052 consist of the following:

	<u>General</u>	<u>Sewer</u>	<u>Total</u>
Accounts	\$ -	\$3,600	\$3,600
Franchise tax	2,812	-	2,812
DOTD maintenance	1,485	-	1,485
Sales tax	<u>1,155</u>	<u>-</u>	<u>1,155</u>
	<u>\$ 5,452</u>	<u>\$3,600</u>	<u>\$9,052</u>

### (4) Due from Other Governmental Units

Amounts due from other governmental units at June 30, 2013 consist of Community Development Block Grant funds due from the Louisiana Division of Administration.

# VILLAGE OF CHATAIGNIER, LOUISIANA

## Notes to Basic Financial Statements (Continued)

### (5) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers in December. Billed taxes become delinquent on January 1 of the following year.

For the year ended June 30, 2013, taxes of 5.74 mills were levied on property with assessed valuations totaling \$792,910. Total taxes levied were \$4,551.

### (6) Risk Management

The Village is exposed to risks of loss in the areas of general and auto liability, property hazards and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

### (7) Capital Assets

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance 7/1/2012	Additions	Deletions	Balance 6/30/2013
Governmental activities:				
Land	\$ 25,964	\$ -	\$ -	\$ 25,964
Buildings and improvements	300,902	-	-	300,902
Equipment	106,116	-	10,570	95,546
Street improvements	343,648	-	-	343,648
Totals	776,630	-	10,570	766,060
Less: accumulated depreciation				
Buildings and improvements	229,526	3,236	-	232,762
Equipment	103,706	964	10,570	94,100
Street improvements	153,043	17,183	-	170,226
Total accumulated depreciation	486,275	21,383	10,570	497,088
Governmental activities, capital assets, net	\$ 290,355	\$ (21,383)	\$ -	\$ 268,972
Business-type activities:				
Land	\$ 10,000	\$ -	\$ -	\$ 10,000
Systems and extensions	1,035,584	370,964	-	1,406,548
Equipment	5,236	-	-	5,236
Totals	1,050,820	370,964	-	1,421,784
Less: accumulated depreciation	610,588	28,981	-	639,569
Business-type activities, capital assets, net	\$ 440,232	\$ 341,983	\$ -	\$ 782,215

VILLAGE OF CHATAIGNIER, LOUISIANA

Notes to Basic Financial Statements (Continued)

(8) Board Members' Compensation

The Village paid the mayor and aldermen the following salaries:

Jackie Thomas	\$ 3,600
Nicholas Papillion	1,200
Joseph Semien	1,200
Lucy Green	<u>1,200</u>
Total	<u>\$ 7,200</u>

(9) Recently Issued Accounting Pronouncements

In April 2012, the GASB approved Statement No. 65, "Items Previously Reported as Assets and Liabilities". This statement clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The provisions of GASB No. 65 must be implemented by the Village of Chataignier for the year ending June 30, 2014. The effect of implementation on the Village of Chataignier's financial statements has not yet been determined.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

VILLAGE OF CHATAIGNIER, LOUISIANA  
General Fund

Budgetary Comparison Schedule  
Year Ended June 30, 2013

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 16,400	\$ 24,248	\$ 24,482	\$ 234
Licenses and permits	16,000	11,507	11,507	-
Franchise tax	19,000	17,692	17,601	(91)
Intergovernmental	2,900	530	2,399	1,869
Fines and forfeitures	9,500	3,379	3,379	-
Rental income	-	1,375	3,025	1,650
Interest	482	353	386	33
Miscellaneous	7,200	6,900	6,900	-
Total revenues	<u>71,482</u>	<u>65,984</u>	<u>69,679</u>	<u>3,695</u>
Expenditures:				
Current -				
General government	34,051	30,037	32,822	(2,785)
Recreation	2,684	24,827	23,145	1,682
Public safety	10,168	12,909	12,341	568
Public works	8,598	8,479	7,754	725
Total expenditures	<u>55,501</u>	<u>76,252</u>	<u>76,062</u>	<u>190</u>
Excess (deficiency) of revenues over expenditures	15,981	(10,268)	(6,383)	3,885
Other financing uses:				
Transfers out	-	-	(2,850)	(2,850)
Change in fund balance	15,981	(10,268)	(9,233)	1,035
Fund balance, beginning	<u>90,322</u>	<u>90,322</u>	<u>90,322</u>	<u>-</u>
Fund balance, ending	<u>\$ 106,303</u>	<u>\$ 80,054</u>	<u>\$ 81,089</u>	<u>\$ 1,035</u>

See independent accountants' review report.

## **OTHER SUPPLEMENTARY INFORMATION**

VILLAGE OF CHATAIGNIER, LOUISIANA

Schedule of Insurance in Force  
June 30, 2013

<u>Description of Coverage</u>	<u>Expiration Date</u>	<u>Coverage Amounts</u>
Workmen's Compensation:		
Louisiana Worker's Compensation Corporation		Statutory
Commercial property insurance:		
Office building - 226 Martin Luther King Drive	8/27/13	77,000
Shed - 161 Church Street	8/27/13	3,000
Automobile liability	12/6/13	500,000
Commercial general liability	12/6/13	500,000
Errors and omissions	12/6/13	500,000
Law enforcement officer	12/6/13	500,000

## **OTHER INFORMATION**



C. Burton Kolder, CPA\*  
 Russell F. Champagne, CPA\*  
 Victor R. Slaven, CPA\*  
 Gerald A. Thibodeaux, Jr., CPA\*  
 Robert S. Carter, CPA\*  
 Arthur R. Mixon, CPA\*  
 Penny Angelle Scruggins, CPA  
 Christine C. Doucet, CPA

Wanda F. Arcement, CPA, CVA  
 Allen J. LaBry, CPA  
 Albert R. Leger, CPA, PFS, CSA\*  
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 Kristin B. Dauzat, CPA  
 Matthew E. Margaglio, CPA  
 Jane R. Hebert, CPA  
 Bryan K. Joubert, CPA  
 Stephen J. Anderson, CPA  
 W. Jeffrey Lowry, CPA  
 Brad E. Kolder, CPA, JD  
 Casey L. Ardoin, CPA

Retired:  
 Conrad O. Chapman, CPA\* 2006

\* A Professional Accounting Corporation

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Accountants' Report on Applying Agreed-Upon Procedures

To the Board of Aldermen  
 Village of Chataignier, Louisiana

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the Board of Alderman of the Village of Chataignier and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Village of Chataignier's compliance with certain laws and regulations during the year ended June 30, 2013 included in the accompanying *Louisiana Attestation Questionnaire*. The Board of Aldermen of the Village of Chataignier is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$30,000, or public works exceeding \$150,000, and determine whether such purchases were made in accordance with RS 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

Public works exceeding \$150,000 were made in accordance with RS 38:2211-2296. There were no expenditures for material and supplies exceeding \$30,000.

### Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

The Village of Chataignier provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees were on the list obtained from management.

#### ***Budgeting***

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original and amended budgets for the year ending June 30, 2013.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the June 28, 2012 minutes and adoption of the amended budget to the June 27, 2013 minutes.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenues and expenditures. Actual revenues did not fail to meet budgeted revenues by more than 5% and expenditures for the year did not exceed budgeted amounts by more than 5%.

#### ***Accounting and Reporting***

8. Randomly select six disbursements made during the period under examination and:
  - a. trace payments to supporting documentation as to proper amount and payee;
  - b. determine if payments were properly coded to the correct fund and general ledger account; and
  - c. determine whether payments received approval from proper authorities.

All of the six disbursements were for the proper amount, were for the proper payee, were coded correctly and received proper approval.

#### ***Meetings***

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by RS 42:11 through 42:28 (the open meeting law).

Agendas were posted as required by RS 42:11–42:28.

***Debt***

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

We inspected all bank deposit detail for the period under examination, noting no deposits which appeared to be proceeds of bank loans, bonds, or like indebtedness.

***Advances and Bonuses***

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances or gifts.

There were no bonuses, advances or gifts noted.

***Prior Comments and Recommendations***

All prior year findings have been resolved.

We were not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Village of Chataignier and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Ville Platte, Louisiana  
September 26, 2013

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

September 16, 2013

**Kolder, Champagne, Slaven & Company, LLC**  
**Certified Public Accountants**  
**P.O. Box 588**  
**Ville Platte, LA 70586**

In connection with your review of our financial statements as of June 30, 2013 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of **Public Bid Law**

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [☒] No [ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [☒] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [☒] No [ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [☒] No [ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No [ ]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [☒] No [ ]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [☒] No [ ]

**Meetings**

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [☒] No [ ]

### Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes ☒ No ☐

### Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

<u>Mayor Jackie Z. Francis</u>	Mayor	<u>9-19-13</u>	Date
<u>Willie J. Rza</u>	Clerk	<u>9-16-13</u>	Date

# VILLAGE OF CHATAIGNIER, LOUISIANA

## Summary Schedule of Current and Prior Year Findings and Corrective Action Plan Year Ended June 30, 2013

Fiscal Year Finding Initially Occurred	Ref. No.	Description of finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date

### CURRENT YEAR (6/30/2013)

#### Compliance:

There were no compliance findings noted.

#### Internal Control:

There were no internal control findings noted.

### PRIOR YEAR (6/30/2012)

#### Compliance:

12-1(C)	2006	In accordance with LRS 39:1301-1315, the Village did not amend the General Fund budget when actual expenditures exceeded budgeted expenditures by more than five percent.	Yes	Herman Malveaux, Mayor
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#### Internal Control:

There were no internal control findings noted.